Watching of Recovery of Contribution due to Government from Local Bodies.

READ—

1. Government Order No. Fl (B) 11009-14/CR-46-52-2, dated 13th December 1952.

2. Correspondence ending with the letter No. TM/B/II-50/Vol. II/63-64/370, dated 4th November 1963, from the Accountant General, Mysore, Bangalore.

PREAMBLE:

In accordance with the provision contained in paragraph 3 of the Government Order of 13th December 1952, referred to above, the Heads of Depatments have to forward, to the Audit Office, annually statements of outstandings due from defaulting local bodies through the Controller, State Accounts Department. But it has been brought to the notice of Government that such statements are not being received in the Audit Office regularly. The Controller, State Accounts Department who was consulted in the matter has reported that in view of certain practical difficulties in checking these statements it is not practicable to scrutinise and forward the checked statements to the Accountant General, but the collection figures can only be checked at the time of local audit of each local body undertaken by State Accounts Department and that the verification of collection figures furnished in the statements can be undertaken only during the year in which the local audit of the respective Institution is taken up and completed and as such there will be considerable delay in transmitting the statements received by the Heads of Departments to the Audit Office. He has, therefore, suggested that these statements may be got verified during local audit and remarks offered in the Audit Report itself and also communicated to the concerned Heads of Departments.

ORDER No. FD 36 BAP 62, BANGALORE, DATED, THE 25TH MARCH 1964
(CHAITRA 4, SAKA ERA 1886.)

After a careful consideration of all the aspects of the case it is considered necessary to modify the provisions of Government Order, dated 13th December 1952. It is, therefore, directed that in future the statements of outstanding dues from defaulting Local Bodies should be sent by the Heads of Departments direct to the Accountant General instead of through the Controller, State Accounts Department, Bangalore, as at present before the 15th of March every year so as to enable the Audit Office to issue necessary retrenchment orders on the concerned Treasuries before the close of the financial year. It is further directed that one copy of the statement should also be simultaneously sent to the Controller, State Accounts Department for local verification and the Controller should intimate to the Audit Office in due course, cases where demands have been assessed incorrectly by the Departmental Officers.

2. On receipt of such statements, the Accountant General will take action in accordance with the provisions contained in Article 292 (b) of Mysore Financial Code. The existing provisions contained in Article 292 (b) of M.F.C. are considered inadequate to ensure that amounts due from local bodies do not fall into arrears for indefinite periods and that the amounts due as arrears from the local bodies in some cases are not far in excess of the balance amount held by the local bodies at the Treasuries. Therefore, with a view to avoid such possibilities it is felt necessary to incorporate adequate provisions in the Mysore Financial Code to the effect that any amount due to Government by a local body, including any amount overdue for payment in respect of a loan granted by Government is subject to recovery by adjustment from any non-statutory grant sanctioned to the Local Body. Necessary corrections in this regard to the Mysore Financial Code will issue separately.

By Order and in the name of the Governor of Mysore,

N. S. BHARATH,
Deputy Secretary to Govt., F. D. (Budget).